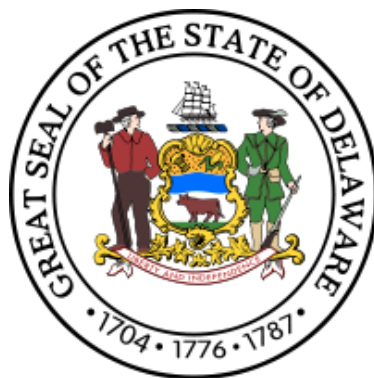


2020 Annual Report



2020 Delaware Harness Racing Commission

Mission Statement

To protect, promote, serve, and regulate the Harness Racing Industry and uphold its honesty and integrity in a competent and impartial manner.

Purpose

The Delaware Harness Racing Commission (DHRC) regulates and oversees the sport of harness racing in the state of Delaware.

Objectives

1. To protect, preserve and promote agriculture and horse racing through effective and efficient efforts to prevent and eliminate corrupt practices.
2. To ensure fairness in decision-making affecting licensees and patrons; and ensure due process in administrative proceedings.
3. To be responsive to the public and licensees and provide information concerning the industry and DHRC operations.

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2020 Delaware Harness Racing Commission

Summary of Activities

Purse, Race and Handle Statistics

2020 was an unusual year for Delaware Harness Racing, as it was for all business sectors. The COVID19 pandemic negatively impacted our industry and any comparative assessment to previous years should consider 2020 an anomaly. In 2019, we enjoyed increases in all measures including a 10% increase in purse funds distributed and 5% increase in casino revenue. The measurers for 2020 show decrease across the board. The 2020 Annual Report is a slightly abbreviated report compared to previous years as a result.

In response to the spreading corona virus and to address public health concerns, on March 16, 2020, Governor Carney modified a public health emergency order, closing the casinos and temporarily halting live racing. Harness racing in Delaware did not resume until June 15, 2020 at Harrington Raceway. The three-month recess in casino access and live racing caused a loss in revenue for the casinos and horsemen. Those losses are reflected in the data presented in this report and are the cause of decreases in all the measurers. When racing did resume both tracks implemented COVID protocols to ensure the health and safety of participants and spectators.

There were in 116 race days, 1,490 races and 11,939 starters total (all decreases from 2019). Including stake races, Dover Downs (DD) and Harrington Raceway Inc. (HRI) distributed approximately \$21.9M combined in 2020 (down 12% from 2019). The total revenue for the casinos (from slots, tables, sports and pari-mutuel) was \$19M, down 27% from 2019. At \$48,842,765, the total live handle decreased by over \$7M compared to 2019 (see tables on page 7 and 8)

In 2020, expenses associated with Delaware Standardbred Owners Association (DSOA) deducted from the purse account were as follows: \$745,000 for operations; \$187,500 for pensions, and \$2,204,000 for insurance.

The Delaware Standardbred Breeders' Fund (DSBF) successfully promotes the production and improvement of Delaware-based Standardbreds, as well as the prominence of the state's harness racing industry in North America. The DSBF distributed about \$3.1M in purse funds in 2020.

Commission Rules and Procedures

Through adherence to the highest standards of integrity, the Delaware Harness Racing Commission (DHRC) effectively regulated the sport of harness racing in the First State. As usual, various improvements were made to internal procedures and regulatory protocols. The latest amendments to USTA's rules were reviewed and appropriate revisions were adopted into the DHRC rules. As every year, the DHRC works closely with the Association of Racing Commission International (ARCI) and utilizes the recommended penalty matrix guidance among other guidance, but the DHRC opposes both the federal Horse Racing Safety and Integrity Act and ARCI acquiescence to the effort.

In 2018, the USTA formed the Harness Racing Medication Collaborative (HRMC) to assess/research and then recommend appropriate scientifically based regulatory thresholds for medications used in the harness racing industry. In response to the Racing Medication and Testing Consortium's (RMTC) almost exclusive focus on the thoroughbred industry and lack of willingness to consider the unique aspects of the Standardbred industry, the USTA left the RMTC and formed the HRMC. The Delaware Harness Racing Commission, through its Executive Director, is one of only two racing commissions represented on its board. The HRMC works with and through the ARCI to forward standardbred oriented regulatory thresholds to racing commissions nationwide.

Equine Drug Testing

Both the frequency and quality of the drug screening programs are continuously assessed and adjusted for improvement. In 2020, a total of 1,727 pre-race blood gas tests were completed in-house. Dalare Lab continues to service the Commission by providing analysis of post-race (blood/urine) and out-of-competition (blood) samples. A total of 1,526 (blood) and 1,275 (urine) post-race samples (full spectrum analysis) and 46 out-of-competition samples (EPO) were collected and analyzed in 2020. Due to the COVID Emergency, to minimize exposure of DHRC staff and licensees, out of competition testing was suspended in April 2020 for the remainder of the year. In order to monitor the use of cobalt and enforce the new regulation related to its use, the DHRC collected 265 blood samples (pre-race) for cobalt analysis in 2020.

Licensee Drug Testing

In 2020, 4,742 breathalyzer screenings were conducted (for alcohol presence) and 91 human (saliva) samples were collected for drug testing (full spectrum analysis). The continued monitoring of possible drug use/abuse in human and equine participants is paramount to maintaining the highest standards of integrity in Delaware horse racing. Our drug testing sample collection and analytical protocols, as well as testing parameters, are constantly monitored for quality improvement.

Ownership Review Project

In addition to the straightforward outcomes of the Ownership Review Project such as uncovering hidden ownership, there have been some ancillary beneficial outcomes. By December 2020, of the (200) persons/stables from which we requested ownership information, twenty-six (26) people never complied with the request and are no longer licensed with the DHRC. After initially complying, an additional sixty-three (63) licensees have opted not to renew their DHRC licenses; 102 cases have been closed and individuals added to the initial effort. A good percentage of those were identified for additional follow-up based on the information they submitted. This demonstrates that the mere inquiry effectively removed some possible hidden ownership/trainer activities. It is difficult to accurately quantify that outcome.

This project will continue in earnest during 2021 with an expectation of additional Judges' Hearings to be conducted in the fall of 2021.

Budget

It is important to remember the state fiscal year (SFY) runs from July 1st to June 30th and the annual report is based on the calendar year. In general, this report shows figures for the 2020 calendar year. Casino revenue is a source of funding for many DHRC operations. Some costs are directly paid by the tracks, such as laboratory services and supplies (not shown in the DHRC Operating Budget) and salaries (which are shown in the operating budget. Other costs are covered by funds channeled through the Lottery Office to the DHRC (some salaries). The bulk of the non-salary operating costs are funded by the DHRC fines and fees holding account. DHRC operations are performed well within budgeted parameters. In fact, the DHRC will again complete the SFY under budget.

Delaware horse racing is a vibrant and healthy industry. According to a 2014 study, contributing \$182M to the State's economy annually and accounting for 1,540 jobs. The DHRC constantly reviews internal procedures, and we will continue the practice of on-going assessment and improvement to reduce costs and increase efficiency. The DHRC will also continue to identify methods and measures (education, rules, procedures, testing, and investigation) to ensure the integrity of racing in the First State.

It will take all stakeholders (regulators, politicians, casinos/tracks, horsemen, and support businesses) working together to ensure the continued success of this important industry, which contributes significantly to our history and economy. Solutions which consider the needs of and provide a positive impact to both the horsemen and casino/tracks must be identified and implemented.

2020 Delaware Harness Racing Commission Personnel

Delaware Harness Racing Commission

Chairman, Beverly Steele
Vice-Chairman, Patt Wagner
Commissioner, George P. Staats
Commissioner, Jack Berberian
Commissioner, Stephanie Liguori
Executive Director, Mark A. Davis
Counsel, Andrew Kerber, ESQ
Prosecuting Counsel, Stacey Cohee, ESQ
Administrative Specialist, Donna Krol*

DHRC Judges

Presiding Judge, Brian Manges*
Associate Judge, Brent McLaren
Associate Judge, Norm Short*
Associate Judge, Randy Rosenthal
Paddock Judge, Bob Delisi*

DHRC Veterinarians

Chief John Whiston, DVM,
Kristen Near, VMD

Investigative Unit

Chief Investigator, Lauren Torres
Investigator, Handley Orr
Investigator, Clare Espino

Blood Gas Analyst

Wes Gerardi*
Jennifer Hobbs*
Trish MacDonald* (fill-in)

Office of Licensing

Holly Ventura*
Nikki Tome*
Christa Clark

Equine Identifiers

Trish MacDonald*
Faith Parker*

BAC Technician

Robin Killen

Chief Paddock Inspectors

Jennifer Hobbs*
Carolynn Poore*
Mollie Lynch*

Paddock Inspector

Lynn Dodenhoff*
Mollie Moore
Morgan Nichols
Richie Cannon
Jonathan Moore
Nikki Tome*
Faith Parker*

DE Standardbred Breeders Fund

Administrator, Judy Davis-Wilson

*Denoted personnel trained in more than one job
function

Personnel

The more than twenty DHRC personnel are strongly encouraged to cross-train, thereby improving morale and operational flexibility. In addition, the DHRC maintains high standards of training and continues to participate in the national accreditation programs.

DHRC Chief Veterinarian John Whiston and Commission Veterinarian Dr. Kristen Near both attended continuing education classes. With the assistance and advice of Dr. Jay Baldwin, we were able to increase our pool of capable and experienced back-up (fill-in) veterinarians as well. Currently, we enjoy the benefits of an exemplary Veterinary Team.

Personnel Training and Conferences

Cross-training continues to be a cornerstone of the DHRC personnel management strategy. Cross-training strengthens both the individual employee and our entire operation. DHRC personnel are cross-trained in multiple job duties whenever possible; and as noted on the personnel roster, many DHRC paddock staff are trained in multiple job functions.

DHRC personnel are also encouraged to utilize the state training/education programs through OMB. The state offers courses in First State Financial system (FSF), operational management, personal skill building and others.

Personnel Accreditation

Judges working at Delaware's Harness tracks are fully licensed by the United States Trotting Association (USTA) and accredited through the University of Louisville. The Judges regularly attend continuing education sessions through the Racing Officials Accreditation Program (ROAP); www.horseracingofficials.com

2020 Delaware Harness Racing Commission

Licensing Office Activity

LICENSE TYPE	FEE	# ISSUED	TOTALS
OWNER 1 YR	\$50.00	424	\$21,200
TRAINER 1 YR	\$50.00	6	\$3000
DRIVER 1 YR	\$50.00	10	\$500
OWN/TRNR/DRIVER 1 YR	\$50.00	27	\$1,350
OWNER 2 YR	\$100.00	47	\$4,700
TRAINER 2 YR	\$100.00	13	\$1,300
DRIVER 2 YR	\$100.00	1	\$100
OWN/TRNR/DRIVER 2 YR	\$100.00	6	\$600
OWNER 3 YR	\$150.00	150	\$22,500
TRAINER 3 YR	\$150.00	12	\$1,800
DRIVER 3 YR	\$150.00	2	\$300
OWN/TRNR/DRIVER 3 YR	\$150.00	16	\$2,400
AUTH. AGENT	\$50.00	2	\$100
VENDOR	\$50.00	6	\$300
VENDOR EMPLOYEE	\$20.00	5	\$100
GROOM	\$20.00	260	\$5,200
TRACK PERSONNEL	\$20.00	54	\$1,080
TOTAL LICENSES		1,041	\$67,630
FINGERPRINTS	\$65.00	77	\$5,005
APPEALS	\$400.00	1	400.00
FINES	vary		\$25,250
TOTALS			\$98,285

2020 Delaware Harness Racing Commission

Equine Drug Testing Program

TYPE	2015 TOTALS	2016 TOTALS	2017 TOTALS	2018 TOTALS	2019 TOTALS	2020 TOTALS
No. of Starters	19,121	18,102	16,417	15,010	15,584	11,939
Pre-Race Testing (BG, In-house)	4,293	3,075	2,691	2,194	2,540	1,727
Post-Race Testing (Dalare)	Urine: 2,459 Blood: 2,745	Urine: 2,074 Blood: 2,464	Urine: 1,655 Blood: 2,036	Urine: 1,437 Blood: 1,841	Urine: 1,668 Blood: 2,004	Urine: 1,275 Blood: 1,526
Out of Competition Testing (Dalare)	18	26	128 11 Tongue Ties	78	92	46
Cobalt (Dalare)	128	385	344	294	295	265
GRAND TOTALS	9,643	8,024	6,887	5,844	6,599	4,839

Human Drug Testing Program and Searches

TYPE	2015 TOTALS	2016 TOTALS	2017 TOTALS	2018 TOTALS	2019 TOTALS	2020 TOTALS
Human Drug Testing	185	232	165	168	107	91
Breathalyzer (In-house)	8,828	8,635	7,558	6,744	6,711	4,742
GRAND TOTALS	9,013	8,867	7,723	6,912	6,818	4,833
Truck/Trailer Searches	345	410	400	142	77	154

2020 Delaware Harness Commission Racetrack Handle Statistics

TOTAL RACING STATISTICS						
	2015 Totals	2016 Totals	2017 Totals	2018 Totals	2019 Totals	2020 Totals
Live Racing Days	176	176	159	142	143	116
Races	2,474	2,277	2,026	1,828	1,915	1,490
Races per Day (avg.)	14.1	14	13	13	13.3	12.8
Total On-track Live Handle	\$2,945,924	\$2,286,306	\$1,846,505	\$1,878,155	\$1,478,838	\$742,273
Total Off-track Handle	\$77,120,856	\$67,172,168	\$57,780,063	\$48,954,983	\$54,478,175	\$48,100,492
Total Live Handle	\$79,976,777	\$69,458,474	\$59,632,568	\$50,833,138	\$55,957,013	\$48,842,765

These figures are summed from the Monthly Administrator's Report

2020 Delaware Standardbred Breeders Fund

The Delaware Standardbred Breeders' Fund was created to oversee a state-based breeding program.

- The DSBF Board is made up of 11 appointed members.
- The DSBF Administrator, Judy Davis-Wilson, oversees both the Sires and Racing Programs.
- These programs consist of a minimum of 48 races per year equally divided between two of the state's race tracks; Dover Downs and Harrington Raceway.
- These 48 races include 2 Eliminations and a \$100k Final at each track, for each division.
- The DSBF strives to maintain a competitive level of purses and to keep the flow of hybrid vigor among Delaware bred Standardbreds, by annually contributing to the base of horses racing at the states' two harness tracks.
- The DSBF Administrator markets and showcases Delaware bred horses at major Standardbred sales (such as the Harrisburg Sale) and supports educational events. These annual events include the Harness Horse Youth Camp and Clyde Hirt Writers' Workshop.
- Another important annual event for the DSBF is Governor's Day, held at the Delaware State Fair each July.

	2013	2014	2015	2016	2017	2018	2019	2020
Stallions Registered	41	40	35	33	36	36	37	43
Mares Bred	360	282	282	217	251	347	297	345
Yearlings Registered	217	192	201	147	153	116	132	189
2 & 3 Year Old Payments	422	510	473	468	341	344	304	314

Total Bonus Paid to DSBF 2 & 3 Year Olds in DSBF Events: \$288,680

Total Purses Paid: \$3,199,250

2020 Final Winners

3 Year Olds @ Dover Downs / 12-17-2020

Apple Valley Art, Sweet Lil, Air Time, Emmy's Mayflower

3 Year Olds @ Harrington Raceway/ 7-6;7-7; 7-8-2020

Apple Valley Art, Cinder Rock, Zulu, Stella A

2 Year Olds @ Harrington Raceway / 10-7-2020

Subban, Stealing Bases, Big Al M, Kim's Command

2 Year Olds @ Dover Downs / 11-24;11-25-2020

Downtown Show, Littlebagoftricks, Big Al M, Jazzy Judy

